



CITY OF DURHAM | NORTH CAROLINA

Date: November 1, 2011

To: Thomas J. Bonfield, City Manager

Through: Wanda S. Page, Deputy City Manager

**From: David Boyd, Finance Director
Joseph W. Clark, Financial Operations Manager**

Subject: 60-months lease of Print Shop Copiers & Software

Executive Summary

The contract under consideration will furnish/provide the City's Print Shop with a one (1) 110 page per minute (ppm) black & white copier/printer, one (1) 95 ppm black & white copier/printer, two (2) high speed color copier/printers, one (1) color wide-format color copier/printer, and an electronic print management system.

For over 29 years, the City has operated a high-speed duplicator in the Print Shop via a lease arrangement. The high-speed duplicator allows City staff to quickly mass produce items such as City Council agendas, flyers, booklets, reports, maps, as well as other large print jobs. The high-speed duplicator is also used for printing the budget and the comprehensive annual financial report. In addition, the Technology Solutions Department has also been leasing a high-speed copier/printer that has been used in the process of printing utility bills.

Sharp Business Systems submitted the lowest proposal. The total estimated cost of the contract is \$450,013.20. Funding for this contract is available from the respective operational printing & duplicating budgets for each department that uses the services of the equipment.

The Equal Opportunity/Equity Assurance Department reviewed the bid submitted by Sharp Business Systems of Morrisville, North Carolina and have determined that they are in compliance with the Ordinance to Promote Equal Opportunities in City Contracting. There were no SDBEs to provide this product.

Recommendation

That the bid for the 60-months lease of one (1) 110 page per minute (ppm) black & white copier/printer, one (1) 95 ppm black & white copier/printer, two (2) high speed color copier/printers, one (1) color wide-format color copier/printer, and an electronic print management system in the estimated amount of \$450,013.20 from Sharp Business Systems be approved and the City Manager be authorized to execute all relevant contracts; and,

That the City Manager be authorized to modify the contract before execution provided that modifications do not increase the dollar amount of the contract and are consistent with the general intent of the existing version of the contract.

Background

For over 29 years, the City has operated a high-speed duplicator in the Print Shop via a lease arrangement. The high-speed duplicator allows City staff to quickly mass produce items such as City Council agendas, flyers, booklets, reports, maps, as well as other large print jobs. The high-speed duplicator is also used for printing the budget and the comprehensive annual financial report.

In addition, the Technology Solutions Department has also been leasing a high-speed copier/printer that has been used in the process of printing utility bills.

Soon the printing of utility bills will be transferred to the Print Shop. In an effort to reduce printing and production costs, the Administration has sought proposals for a new solution.

Issues/Analysis

Recently the City received three proposals for various equipment to be used in the Print Shop operations.

Sharp Business Systems submitted the lowest proposal.

Company	Cost
Sharp Business Solutions Morrisville, NC	*\$450,013.20
Oce North America Morrisville, NC	\$607,527.00
Xerox Raleigh, NC	\$673,983.00

* Recommended proposal

The proposed solution from Sharp will provide the City with a one (1) 110 page per minute (ppm) black & white copier/printer, one (1) 95 ppm black & white copier/printer, two (2) high speed color copier/printers, one (1) color wide-format

color copier/printer, and an electronic print management system. The proposal also contains a buy-out of the remaining payments on the existing lease with Xerox.

Under the current contract, the City is paying \$128,498 per year; the proposed solution has an annual cost of \$90,002, which represents a savings of \$38,495 per year, and \$192,479 over the life of the contract.

Alternatives

The City could continue to use the current equipment until the lease expires. Waiting until the lease expires will cost the City money; the new proposal is less expensive than the current lease and offers productivity advantages as well.

Financial Impact

The contract amount is an estimate, based on the total number of copies made under the existing contract. The cost of the contract will be paid for by various City Departments via internal billing from the Print Shop. The total estimated cost of the contract is \$450,013.20. Funding for this contract is available from the respective operational printing & duplicating budgets for each department that uses the services of the equipment.

SDBE Summary

The Equal Opportunity/Equity Assurance Department reviewed the bid submitted by Sharp Business Systems of Morrisville, North Carolina and have determined that they are in compliance with the Ordinance to Promote Equal Opportunities in City Contracting.

SDBE REQUIREMENTS

There were no SDBEs to provide this Product.

WORKFORCE STATISTICS

The workforce statistics for Sharp Business Systems are as follows:

Morrisville/Raleigh, NC (Locations)

Total		
Workforce	16	100%
Total Females	2	12%
Total Males	14	88%
Black Males	1	6%
White Males	11	69%
Other Males	2	12%
Black Females	0	0%
White Females	2	13%
Other Females	0	0%

